

Resolution No.: 16-1253
Introduced: January 19, 2010
Adopted: February 2, 2010

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Supplemental Appropriation #10-294
FY10 Operating Budget
Montgomery County Public Schools
Real Estate Management Fund
\$350,000

Background

1. Section 5-105(d) of the Education Article of the Annotated Code of Maryland provides for the expenditure of non-local funds by the County Board of Education after adoption of the budget, only with the approval of the County fiscal authority.
2. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of five Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of six Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.
3. The County Executive received the Board of Education's action of October 26, 2009, requesting a supplemental appropriation to the operating budget as follows:

<u>Category</u>	<u>Amount</u>	<u>Funding Source</u>
51 Real Estate Management Fund	<u>\$ 350,000</u>	Real Estate Management Fund

Total \$ 350,000

3. The Board of Education has stated that this appropriation is needed to receive and expend \$350,000 for the Real Estate Management (REM) Fund. According to an approved Board of Education policy from 1997, schools are rewarded for leasing a portion of their sites to telecommunications companies erecting towers. At the end of 2009 and early 2010, seven new leases were executed, increasing the rental revenue available to the schools. In order to pay the schools this additional revenue, supplemental appropriation authority is needed. Also, since there are increases in expenses for the Department of Facilities Management's budget, its administrative office rents can be shifted to the REM Fund, as was done previously. Overall, there are sufficient retained earnings from previous year surpluses in the REM Fund to use for these purposes and retain a reasonable balance.
5. The County Executive recommends a supplemental appropriation to the FY10 Operating Budget of \$350,000 and has specified that the source of funds will be the Real Estate Management Fund.
6. Notice of a public hearing was given, and a public hearing was held.

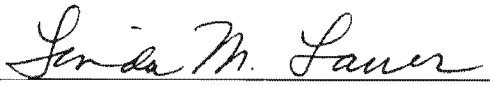
Action

The County Council for Montgomery County, Maryland, approves the following action:

A supplemental appropriation to the FY10 Operating Budget of the Montgomery County Public Schools is approved as follows:

<u>Category</u>	<u>Amount</u>	<u>Funding Source</u>
51 Real Estate Management Fund	<u>\$ 350,000</u>	Real Estate Management Fund
Total	\$ 350,000	

This is a correct copy of Council action.


Linda M. Lauer, Clerk of the Council